

NEWS RELEASE



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For Immediate Release

San Diego Resident Pleads Guilty to Defrauding 9-11 Charities

NEWS RELEASE SUMMARY - January 16, 2004

United States Attorney Carol C. Lam announced today that Terry James Smith pled guilty in United States District Court in San Diego to one count of mail fraud and one count of wire fraud.

The indictment charged Terry James Smith with defrauding various charities by falsely claiming that his wife was killed in the terrorist attacks on the World Trade Center on September 11, 2001. According to Assistant United States Attorney Steve Miller, who prosecuted the case, Smith contacted the American Red Cross, as well as other charities and government agencies, claiming that his wife's death caused severe financial hardship and requesting assistance in supporting 10 children. The San Diego Regional Fraud Task Force investigated Smith's claim and learned that Smith's wife was still alive and living in Jamaica after her deportation in 1999. Authorities also determined that Smith did not have the 10 children he claimed to have; Smith only supported one child at the time of the terrorist attacks.

Based upon his false claims, Smith received approximately \$135,500 from various charities, including the American Red Cross, Safe Horizons, the Robin Hood Relief Fund and the Avon Hearts of America Children's Charity. Smith also made unsuccessful applications to the California Victim Compensation and Government Claims Board, the September 11th Victim Compensation Fund of 2001, and the Federal Emergency Management Agency (FEMA).

United States Attorney Lam said, "The defendant is paying a just price for having committed a despicable, opportunistic crime."

The San Diego Regional Fraud Task Force is a multi-agency task force operating out of the United States Secret Service Office in San Diego. The task force is made up of agents and investigators from the United States Secret Service, San Diego Police Department, and the United States Postal Inspection Service.

Sentencing is scheduled before the Honorable Napoleon A. Jones on April 7, 2004.

DEFENDANT

Terry James Smith

MAXIMUM PENALTIES

Mail Fraud, 18 U.S.C. §1341- 5 years imprisonment and/or a \$250,000 fine.

Wire Fraud, 18 U.S.C. §1343- 5 years imprisonment and/or a \$250,000 fine.

AGENCY

San Diego Regional Fraud Task Force